

Press Release

Raj Chem Plast

April 08, 2020

Rating Update



Total Bank Facilities Rated#	Rs.35.00 Cr.#
Long Term Rating	ACUITE D Issuer not co-operating*
Short Term Rating	ACUITE D Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; based on best available information.

Rating Rationale

Acuite has reviewed is long term rating of '**ACUITE D**' (read as **ACUITE D**) and short term rating of '**ACUITE D**' (read as **ACUITE D**) on the Rs.35.00 crore bank facilities of Raj Chem Plast (RCP). This rating is now an indicative rating and is based on best available information.

Raj Chem Plast (RCP) is the proprietorship firm established in 1990 by Mr. Raj Kumar Agarwal which is an authorized Del Credere Agent (DCA) for GAIL India Limited for polymers in Tamil Nadu and Pondicherry. Mr. Raj Kumar Agarwal, proprietor having more than two decades of experience in the plastic, chemicals and steel trading business by associating with other group companies.

Non-cooperation by the issuer/borrower: Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-6.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.htm>

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavored to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
25-Jan-2019	Secured Overdraft	Long Term	20.00	ACUITE D (Downgraded)
	Bill Discounting	Long Term	5.00	ACUITE D (Downgraded)
	Bank Guarantee	Short Term	10.00	ACUITE D (Downgraded)
27-Nov-2017	Secured Overdraft	Long Term	20.00	ACUITE BB / Stable (Reaffirmed)
	Bill Discounting	Long Term	5.00	ACUITE BB / Stable (Reaffirmed)
	Bank Guarantee	Short Term	10.00	ACUITE A4+ (Reaffirmed)
19-Sep-2016	Secured Overdraft	Long Term	20.00	ACUITE BB / Stable (Reaffirmed)
	Bill Discounting	Long Term	5.00	ACUITE BB / Stable (Reaffirmed)
	Bank Guarantee	Short Term	10.00	ACUITE A4+ (Reaffirmed)
16-Jul-2015	Secured Overdraft	Long Term	20.00	ACUITE BB / Stable (Assigned)
	Bill Discounting	Long Term	5.00	ACUITE BB / Stable (Assigned)
	Bank Guarantee	Short Term	10.00	ACUITE A4+ (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Overdraft	Not Available	Not Applicable	Not Available	20.00	ACUITE D Issuer not co-operating
Bill Discounting	Not Available	Not Applicable	Not Available	5.00	ACUITE D Issuer not co-operating
Bank Guarantee	Not Available	Not Applicable	Not Available	10.00	ACUITE D Issuer not co-operating

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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